GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Lands – APIIC - Permission accorded to APIIC Ltd., for allotment of land to an extent of 332.00 Acres in Vatluru (V) of Pedepadu (M) and 17.50 Acres in Bhogapuram (V) of Pedavegi (M) in West Godavari District to M/s.VEM Technologies Private Limited for development of a "Weapons Integration facility" in the field of Aerospace and Defence – Provisional allotment issued by APIIC Ltd., on 24.09.2016 - Provisional allotment cancelled on 21.03.2017 due to non payment of balance land cost within the stipulated period – Request of M/s.VEM Technologies Private Limited to grant extension of due date up to September, 2017 for the balance payment being paid w.e.f. 24.12.2016 to APIIC and to waive the penal interest @ 16% on the amount considered – Orders – Issued.

INDUSTRIES AND COMMERCE (INFRA) DEPARTMENT

G.O.MS.No. 158 Dated: 10-11-2017

Read the following:

1. G.O.Ms.No.122, Ind & Com (Infra) Dept, dt.27.08.2016.
2. From the Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada, Single File No.51853/APIIC/Projects(OSD)/ VEM/WG/2015 & Lr.dt.04.10.2017.

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ORDER:

In the reference 1st read above, orders were issued for allotment of land to an extent of 332.00 Acres in Vatluru (V) of Pedepadu (M) and 17.50 Acres in Bhogapuram (V) of Pedavegi (M) in West Godavari District to M/s.VEM Technologies Private Limited for development of a "Weapons Integration facility" in the field of Aerospace and Defence by Andhra Pradesh Industrial Infrastructure Corporation Limited at the same rates on which the lands were transferred to APIIC by Revenue Department.

2. In the reference 2nd read above, VC&MD, APIIC Ltd., Vijayawada has submitted that as per the orders issued vide reference 1st read above, provisional allotment for 350.00 Acs was issued to the Company vide Lr.dt.24.09.2016 of Zonal Manager, APIIC, Kakinada to pay the land cost and process fee within (90) days. But the Company has raised queries regarding NALA charges which were clarified. The Company has paid an amount of Rs.20.825 Crores towards 50% land cost and also Rs.5.00 Crores on 17.03.2017 requesting to give time for remaining payment of Rs.15.825 Crores up to June, 2017. Reminders were issued to the Company in terms of Clause 11.4 of APIIC Allotment Regulations, 2015 on 25.02.2017, 09.03.2017 & 15.03.2017 for the balance payment and other applicable charges. The Company has not responded till date even after completion of (180) days. Accordingly, the provisional allotment was cancelled on 21.03.2017 as per Allotment Regulations, 2015. The Company vide their Lr.dt.14.09.2017 has furnished Demand Draft worth of Rs.16,28,50,000/- towards balance land cost including processing fee & Service Tax which is not in accordance with the Allotment Regulations, 2015. A total of (266) days were elapsed and as such the Company has to pay interest also to a tune of Rs.1,84,52,384/-. Meanwhile Government have requested to examine the allotment of land to the Company with regard to granting of extension of due date up to 6/2017 and to take necessary action for the balance payment payable to APIIC and to waive penal interest.

3. While narrating on the above lines the Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada has stated that cancellation orders were issued due to non payment of balance land cost in the permissible time by the Company. As per Clause 11.4 of APIIC Allotment Regulations, 2015 "no request for restoration of allotment shall be considered." However the Company has informed that they wanted to pay Rs.8.00 Crores and requested to issue necessary permission which was submitted to Government. Further stated that there is a delay of (266) days beyond period without interest from 90th day (i.e. 24.12.2016 to 18.09.2017.)

(P.T.O.)

4. Government, after careful examination of the matter hereby consider the following requests of M/s.VEM Technologies Private Limited, Hyderabad for development of a "Weapons Integration facility" being established in Vatluru (V) of Pedepadu (M) and 17.50 Acres in Bhogapuram (V) of Pedavegi (M) in West Godavari District:

(i) Restoration of allotment cancelled by APIIC.

(ii) Extension of time for payment up to September, 2017.

(iii) Waiver of Penal charges of Rs.1,84,52,384/- accrued towards 16% interest for the period from 25.12.2016 to 18.09.2017.

5. The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., Vijayawada shall take further necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.SOLOMON AROKIARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Vice Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Ltd., H.No.12B, 59A-8-12B, Guru Nanak Colony Road, Teacher's Colony, Vijayawada-520008.

Copy to:

The Commissioner of Industries, 1st Floor, Government Regional Printing Press Buildings, Mutyalampadu, Vijayawada – 520 011.
The G.A (Cabinet) Department, A.P. Secretariat, Amaravathi, Velagapudi (V), Thullur (M), Guntur District (with reference to U.O.No.430/2017, dt.07.11.2017.)
The P.S. to Principal Secretary to C.M. (GSP), A.P. Secretariat, Amaravathi, Velagapudi.
The P.S.to Secretary to Government & CIP, A.P. Secretariat, Amaravathi, Velagapudi.
SF/SC.

// FORWARDED :: BY ORDER //

SECTION OFFICER